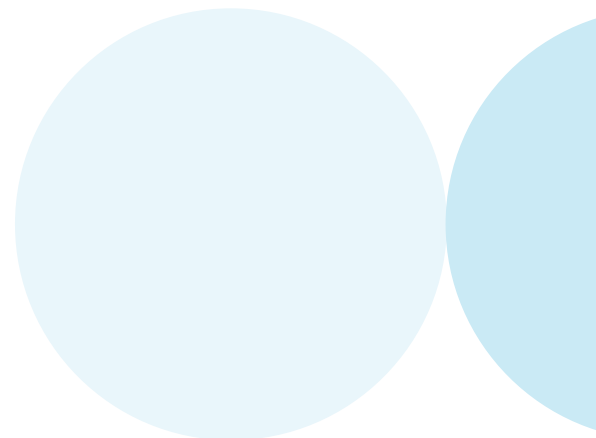


A woman wearing a white lab coat, a dark hijab with a pattern, and blue-rimmed glasses is focused on her work in a laboratory. She is using a white pipette to transfer liquid into a test tube. In her other hand, she holds a small glass vial containing a clear liquid. The background is a blurred laboratory environment with various pieces of equipment.

# CORPORATE GOVERNANCE REPORT

# Corporate governance report



**Our approach to corporate governance is based on a set of values and behaviours that underpin our culture and business practices. This approach includes a commitment to robust governance standards that is fundamental to the sustainability of our operations and our performance.**

This section includes a description of our main corporate governance practices, which form a framework to ensure we act with integrity, high standards of corporate behaviour and in the best interests of our customers, community and owner.

## The Board of Directors

The structure of the Board is subject to the following parameters:

- The Board must comprise at least six and not more than seven Directors (the Chief Executive Officer is the only Executive Director).
- The Directors are appointed for terms of up to three years and are eligible for reappointment.
- The Board should comprise Directors with a broad range of skills and experience.
- Board meetings are generally held once a month at our head office in Leederville.

## Appointment of Directors

The Western Australian Governor appoints non-executive Directors on the nomination of the Minister for Water. This is after consultation with, or on the recommendation of, the Board.

Appointments are typically staggered to ensure one third of the Directors retire each year. Their duties are not full time.

Chief Executive Officer appointments are made by the Board, subject to the Minister's agreement. The Board can appoint a person to act in place of the Chief Executive Officer during a vacancy in that office.

## Changes to the Board

Dr Jemma Green ceased as a Director on 31 December 2020.

Mrs Nicole Lockwood ceased as a Director on 31 December 2020.

Mr David Lock was reappointed as Deputy Chair for a term expiring on 31 December 2021.

Mr Ross Love was appointed as Chair for a term expiring on 31 December 2022.

Dr Carla Boehl was appointed Director for a term expiring on 31 December 2023.

Ms Helen Creed was appointed Director for a term expiring on 19 April 2024.

## Board committees

Committees of the Board that operated during the year ended 30 June 2021 were:

- Audit and Risk
- People and Safety.

## Audit and Risk Committee

The Audit and Risk Committee was chaired by Mr David Lock and included Directors Dr Jemma Green (until 31 December 2020), Mr Ross Holt and Dr Carla Boehl (from 15 February 2021). Each member has substantial corporate and/or financial experience in private enterprise and the necessary skills to undertake the committee's responsibilities.

The Audit and Risk Committee invited management, auditors or others to attend meetings and provide information, as necessary. External attendees at various meetings during the year included staff of the Office of the Auditor General (OAG) and the external auditors appointed by the OAG to undertake our annual audit, which is presently KPMG.

The Audit and Risk Committee assists the Board with its oversight of the financial reporting process, the system of internal control, risk management, the audit process, and our process for monitoring compliance with applicable laws and regulations.

The committee oversees the internal audit function and liaises with the external auditor.

## People and Safety Committee

The People and Safety Committee was chaired by Mrs Nicole Lockwood (until 31 December 2020), and included Directors Mrs Gningala Yarran-Mark (Chair from 1 January 2021), Mr Ross Love (from 15 February 2021) and Ms Helen Creed (from 26 May 2021). Each member has extensive experience in large organisations at a senior level and brings the skills necessary for the committee to undertake its role.

The committee supports and assists the Board to ensure, review and oversee organisational health and safety matters, people, culture, remuneration and benefit arrangements. It does this in line with the strategic aims of the business while complying with regulatory requirements and satisfying the requirements of our owner.

## Directors' meetings

The number of Board meetings and committees of the Board held, and the number of meetings attended by each Director during the 12 months ending 30 June 2021, are shown in the table below.

	Board		Audit and Risk		People and Safety	
Number of meetings held	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend
Mr Ross Love <sup>1</sup>	8	8	0	0	2	2
Mr David Lock	11	11	4	4	0	0
Mrs Nicole Lockwood <sup>2</sup>	6	6	0	0	2	2
Mr Ross Holt	11	11	4	4	0	0
Dr Jemma Green <sup>3</sup>	5	5	2	2	0	0
Mrs Gningala Yarran-Mark	10	11	0	0	4	4
Dr Carla Boehl <sup>4</sup>	6	6	1	2	0	0
Ms Helen Creed <sup>5</sup>	3	3	0	0	0	0
Mr Pat Donovan (Chief Executive Officer)	11	11	4	4	4	4

1 Mr Ross Love was appointed as Chair on 22 September 2020

2 Mrs Nicole Lockwood ceased as a Director on 31 December 2020

3 Dr Jemma Green ceased as a Director on 31 December 2020

4 Dr Carla Boehl was appointed as a Director on 1 January 2021

5 Ms Helen Creed was appointed as a Director on 7 April 2021

## Accountability and independence

As prescribed in the *Water Corporations Act 1995*, Directors are to act honestly, exercise due care and diligence, and disclose all material personal interest in matters involving the Corporation that are raised in Board meetings. The Board has complete independence to determine the policies and control the affairs of the business subject to restrictions imposed by the *Water Corporations Act 1995*. Ministerial approval is required for transactions that are above a prescribed amount (currently over \$25 million) that will result in a major initiative, or are likely to be of significant public interest.

## Ministerial directions

Under section 64 (1) of the *Water Corporations Act 1995* the Minister may give directions in writing, generally with respect to the performance of our functions and, subject to section 65, we are to give effect to any such direction. If the Minister gives a direction, it must be tabled in Parliament. During the period under review, no directions were received from the Minister.

## Directors' and senior executives' remuneration

For further disclosure of Directors' and senior executives' remuneration, please refer to the remuneration report on page 48.

## Governance framework

The Board has legislative authority, under the *Water Corporations Act 1995*, to perform the functions and determine the policies that control our activities.

The Board is responsible for our overall corporate governance and approves strategic direction and budgets, ensuring legal compliance, ethical behaviour and proper risk management processes are in place and operate effectively. Comprehensive monthly reports are provided to the Board to allow it to monitor performance.

## Internal control

The Board, through the Audit and Risk Committee, has oversight of the financial reporting process, the system of internal control, risk management, the audit process, and our process for monitoring compliance with applicable laws and regulations. These responsibilities assist in maintaining an effective internal control structure.

It consists, in part, of organisational arrangements with clearly defined lines of responsibility and delegation of authority, and comprehensive systems and control procedures. Management has the responsibility for establishing and maintaining the system of internal control that supports the achievement of our business objectives.

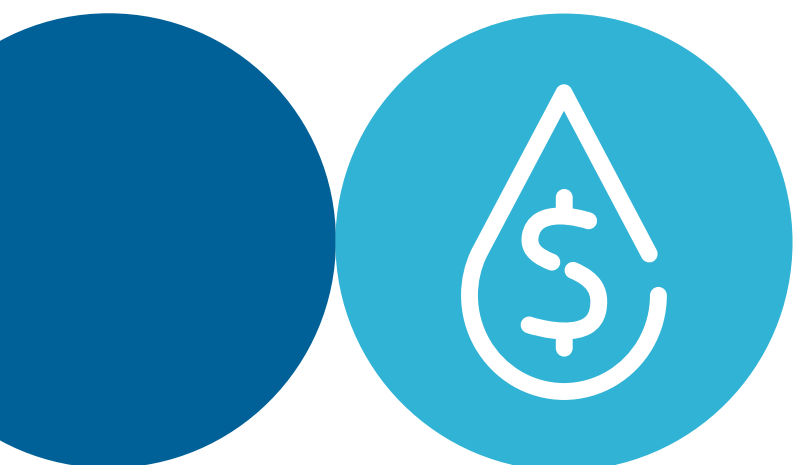
This system of internal control is designed to manage and mitigate rather than eliminate the risks of failure to achieve business objectives. It can only provide reasonable and not absolute assurance of the effectiveness of the system of internal control implemented by management. An important element of the control environment is an ongoing internal audit program, delivered by Management Review and Audit.

## Management Review and Audit

Our internal audit function is managed by the Risk and Assurance Business Unit's Management Review and Audit section, which has the authority to examine any matters referred to it by the Audit and Risk Committee, the Board of Directors or the Chief Executive Officer. The internal audit function supports the Audit and Risk Committee and senior executives by independently and objectively reviewing the adequacy, efficiency and effectiveness of the internal control and governance system with the Corporation.

## External auditors

In accordance with the *Water Corporations Act 1995*, Water Corporation must have the financial report for a financial year audited by the Auditor General. The Auditor General has outsourced the audit to KPMG for a three-year term. Total auditor remuneration is shown in note 19 to the financial statements on page 75.



## Risk management

Risk management is a key element of our governance framework. We have an established Risk Management Framework that provides a common understanding of risk and a set of processes for managing risk aligned with the International Standard on Risk Management ISO 31000:2018. The framework ensures a formalised, structured and corporation-wide approach to the identification, evaluation and control of risks, which have the potential to threaten the achievement of our corporate objectives and our ability to provide services.

All managers are responsible for the identification and management of risks that will impact on their business processes and subsequent objectives. The management of risk within the business is embedded at all levels, with appropriate support and systems in place to ensure risks are managed to an acceptable level.

A comprehensive commercial insurance program is maintained covering insurable risks, which may have a significant impact on our assets, construction activities and legal liability.

## Performance monitoring and reporting

We provide written quarterly reports and this Annual Report to the Minister for Water detailing our performance and progress made in fulfilling the Statement of Corporate Intent. A written annual report on compliance with the Water Services Licence was also provided to the Economic Regulation Authority. In addition, the Board and Corporate Executive received monthly performance reports covering a diverse range of financial and non-financial matters.

## Ethical standards

We require all Directors, employees and contractors to exercise high standards of ethical behaviour in carrying out their duties.

Our Code of Conduct is available on both the Corporation's external and internal websites. A report on compliance is forwarded to the Public Sector Commission.

The Board Charter, available on our website, sets out the roles and responsibilities of the Board and management. Under the guidance of the Audit and Risk Committee, the charter was drafted using the *Water Corporations Act 1995*, Australian Standards and other corporate governance resources.

## Managing financial exposures

We have a central Treasury function to manage financial exposures in accordance with our Treasury Risk Management Policy. Regular reporting ensures the Board can monitor financial risk management.

## Information security management system

We maintain an enterprise information security management framework that is based on the Australian Standard for Information Technology - Security techniques - Information security management systems AS/NZS ISO/IEC 27001:2013.

## State Records Act 2000

In accordance with Section 61 of the *State Records Act 2000* and the State Records Commission Standards (Standard 2 - Principle 6), we have an approved Recordkeeping Plan. In accordance with s.28 (5) of the Act, an updated plan was submitted to the Minister and endorsed in September 2014. The plan describes how records are created, maintained, managed and disposed of in accordance with our standards and principles. We regularly conduct audits of recordkeeping practices and system use by our staff and alliance partners. Regular in-house records and document management training is conducted and feedback and evaluation is sought from all attendees. The course is also available online for regional officers.

We have an online induction process for all new staff, which includes information on employee roles and responsibilities and how they comply with the approved Recordkeeping Plan. It also includes 'Information on Record Keeping and Information Management Compliance for Water Corporation' and 'Information Security Awareness'.

Information management, including records management, is acknowledged as critical to the effectiveness and success of the business and we are committed to continuously improving its management.

## Public Interest Disclosure Statement

The *Public Interest Disclosures Act 2003* was enacted to protect the privacy and confidentiality of both the individual making a public interest disclosure and the subject of that disclosure. Public interest disclosure officers have been appointed. Internal procedures relating to our obligations under the Act have been implemented in accordance with the guidelines provided by the Public Sector Commission. There were two public interest disclosures in the period under review. These disclosures are still being investigated.

## Conflicts of interest

Water Corporation established procedures to identify, prevent, or resolve conflicts of interest, which are outlined in our procurement standards and Code of Conduct.

All our personnel with duties related to the negotiation of contracts must disclose current or prospective interests to their immediate supervisor. If known, they must also disclose the interests of members of their immediate family.

In such cases, we will assess the appropriateness of the situation and determine if the basis of that interest should be discontinued, if the person should cease the duties involved, or if it is proper and ethical to continue the transaction.

## Competition and Consumer Act Compliance Program

In accordance with the standards and guidelines recommended by the Australian Competition and Consumer Commission (ACCC), we conduct a Competition and Consumer Act Compliance Program to manage the risk of breaching the Act. To ensure that all employees are aware of their obligations, a state-wide program is conducted that includes mandatory training.

### Freedom of information

We met our obligations under the *Freedom of Information Act 1992*.

During 2020-21, we received 64 access applications, of which zero were transferred in full to another agency, 16 were provided full access, 38 were provided edited access, zero were withdrawn, one had access refused and zero had access deferred. Documents were not found or do not exist for five of the applications and two were on hand at the end of the year.

There were 27 internal reviews requested. Fees and charges totalling \$1,890 were received for processing these applications, with 31.7 days being the average processing time.

Under Section 96 of the *Freedom of Information Act 1992*, we are required to produce an information statement. Its purpose is to provide a description of our procedures to give members of the public access to our documents, as well as the types of documents we hold. This statement can be found at [watercorporation.com.au](http://watercorporation.com.au)

### Advertising codes

We comply with the Communications Council's Code of Ethics. In addition, our advertising agencies have full compliance policies with the ACCC. There were no breaches or complaints recorded in the reporting year.

### Reportable expenditure

The *Electoral Act 1907* (S. 175 ZE) requires the disclosure of certain categories of expenditure. Details of the organisations contracted and the amounts paid for the financial year are as follows:

Advertising agency	Amount paid
303 MullenLowe	\$143,377*
The Brand Agency	\$1,454,192^

\* This includes costs associated with Waterwise Schools program campaign and Splash of Colour.

^ This amount includes costs associated with Think Climate Change, Be Waterwise campaign, Covid-19 communications, demand management, Indigenous seasons partnership and Winter Sprinkler Switch-off.

Media advertising	Amount paid
Initiative	\$162,850>
The Brand Agency	\$744,016
Carat Media	\$1,358,374
303 MullenLowe	\$46,810

> This includes costs associated with non-campaign advertising.

Market research	Amount paid
Painted Dog	\$396,890
Metrix Consulting	\$333,700
Kantar	\$97,500

# Directors' Report

The Directors of Water Corporation present their report for the 12 months ended 30 June 2021.

## Directors

The following persons were Directors of Water Corporation at the date of this report:

**Mr Ross Love** (Chair since 22 September 2020)

**Mr Pat Donovan**

Chief Executive Officer since 1 January 2019

**Mr David Lock (Deputy Chair)**

Director since 1 January 2014

Deputy Chair from 1 January 2017 to

15 January 2020 and since 22 September 2020

Acting Chair from 16 January 2020 to

21 September 2020

**Ms Nicole Lockwood**

Director from 1 March 2016 to 31 December 2020

**Mr Ross Holt**

Director since 8 June 2016

**Dr Jemma Green**

Director from 4 July 2017 to 31 December 2020

**Mrs Gningala Yarran-Mark**

Director since 12 November 2019

**Dr Carla Boehl**

Director since 1 January 2021

**Ms Helen Creed**

Director since 7 April 2021

Director biographies are shown on pages 13 and 14.

Directors' meetings and attendance are shown on page 42.

Director compensation details are shown on page 48.

## Principal activities

Water Corporation was established as a body corporate under the provisions of the *Water Corporations Act 1995* and is the principal water utility in Western Australia. Water, wastewater, drainage and irrigation services are provided under this Act and other legislation and subsidiary legislation, which control the water industry.

Our principal functions are:

- acquire, store, treat, distribute, market and otherwise supply water for any purpose
- collect, store, treat, market and dispose of wastewater and surplus water
- undertake, maintain and operate any works, system, facilities, apparatus or equipment required for any of these purposes.

There has been no significant change in the nature of our activities during 2020-21.

## Dividends

Dividends paid or declared by Water Corporation since the end of the previous financial year were:

	Total amount \$million	Date of payment
Final 2019-20	642	23/12/2020
Interim 2020-21	-	

## Review of operations

We operate in a regulatory framework comprising the Economic Regulation Authority, and the Departments of Water and Environmental Regulation, Health, and Biodiversity Conservation and Attractions.

Clear commercial objectives and strict environmental targets and accountabilities have been established through the Statement of Corporate Intent and a system of licences through the various regulators.

During the year, we supplied 374 billion L of water and treated 170 billion L of wastewater.

## Risk management

Our Risk Management Framework aims to improve the quality of information considered in delivering better informed assessments for the purpose of resource allocation, increasing transparency in decision making and clearly articulated accountability.

## Remuneration report

Remuneration of key management personnel is referred to as compensation throughout this report. Key management personnel comprise the Directors of the Board and Executives who are responsible for planning, directing and controlling the activities of the Corporation.

Compensation levels for key management personnel are set at a level sufficient to attract and retain appropriately qualified and experienced Directors and Executives.

The compensation of the non-executive Directors of the Board is determined following independent advice from management remuneration consultants and the State Government's Salaries and Allowances Tribunal (SAT) on an ad-hoc basis and is agreed by the Minister.

The compensation is in the form of salary and superannuation contributions. Other than compulsory superannuation contributions and superannuation via salary sacrifice, Water Corporation does not pay any other post-employment benefits to non-executive Directors. Directors' remuneration has not been increased since December 2014.

The compensation packages for the Chief Executive Officer (CEO) and Executives consist of a total reward that is a mix of fixed compensation, in the form of salary, non-monetary benefits and superannuation contributions. Non-monetary benefits may include access to a fully maintained motor vehicle and fringe benefits tax. Other long-term benefits refer to long service leave. The compensation of all staff is reviewed annually.

In December 2016, the *Salaries and Allowances Act 1975* was amended so that SAT can set the remuneration of the Corporation's CEO.

The CEO, with the concurrence of the People and Safety Committee and the Board, sets Executive compensation based on annual salary survey data and advice from independent remuneration sources regarding compensation practices. Specifically, fixed compensation is benchmarked against comparative industry groups in order to remain competitive in the labour market.

Employees in management roles, including Executives, are employed on individual employment contracts under common law and are referred to as common law contract (CLC) employees. The compensation structure of CLC employees is centred on the market median for the fixed compensation for each of the identified levels.

The primary sources of remuneration data are Korn Ferry Group Australia and Mercer Consulting Australia. We use the Hay Group job evaluation methodology to provide assurance that remuneration is similar to that for comparable positions in other organisations.

In April 2017, Water Corporation was requested by the new State Government to adopt its Machinery of Government budget repair strategies comprising:

- freezing CEO salaries for four years
- capping non-executive annual salary increases to \$1,000 per employee
- reviewing all attraction and retention incentives and report outcomes to the Public Sector Commission by 31 August 2017.

The State Government Machinery of Government budget repair strategies have been extended for a further two years.

### Details of compensation provided to key management personnel

The directors during the financial year were:

Directors	
<b>R Love</b>	Chair (non-executive) appointed 22 September 2020
<b>D Lock</b>	Director (non-executive) appointed 1 January 2014 Deputy Chair 1 January 2017 to 15 January 2020 and from 22 September 2020 Acting Chair 16 January 2020 to 21 September 2020
<b>N Lockwood</b>	Director (non-executive) appointed 1 March 2016 to 31 December 2020
<b>R Holt</b>	Director (non-executive) appointed 8 June 2016
<b>J Green</b>	Director (non-executive) appointed 4 July 2017 to 31 December 2020
<b>G Yarran-Mark</b>	Director (non-executive) appointed 12 November 2019
<b>C Boehl</b>	Director (non-executive) appointed 1 January 2021
<b>H Creed</b>	Director (non-executive) appointed 7 April 2021
<b>P Donovan</b>	Chief Executive Officer from 1 January 2019





The number of Directors whose total remuneration was within the following bands is:

Total remuneration band (\$)	Number of Directors **		Short-term		Post-employment		Long-term benefits		Total	
			Salary and fees \$'000		Superannuation \$'000		Long service leave \$'000		\$'000	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
0-24,999	1	1	13	20	1	2	-	-	14	22
25,000-49,999	3	1	28	34	3	3	-	-	31	37
50,000 - 74,999	2	4	55	56	5	5	-	-	60	61
75,000 - 99,999	2	1	77	79	7	8	-	-	84	87
500,000 - 524,999	1	1	493	492	25	25	-	-	518	517

\*\* Where there is more than one Director in a remuneration band, the average remuneration is shown.

The names and positions of the five executives receiving the highest emoluments were:

Five highest-paid executives*		Year ended 30 June 2021	Year ended 30 June 2020
B Ford	General Manager, Operations	✓	✓
D Johnston	General Manager, Strategic Performance to 30 September 2019		✓
D Page	Chief Financial Officer	✓	
E Hambleton	General Manager, Assets Planning and Delivery	✓	✓
E Vervetjes	General Manager, Information and Technology	✓	
K Willis	General Manager, Customer and Community		✓
M Cronin	General Manager, Strategic Performance	✓	
M Leathersich	General Manager, Operations to 30 January 2020		✓

\* CEO's remuneration is included in the table of Directors.

The remunerations of the executives receiving the highest emoluments were within the following bands:

Total remuneration band (\$)	Number of staff *		Short-term		Post-employment		Other long-term benefits**		Termination benefits		Total	
			Salary \$'000		Superannuation \$'000		Long service leave \$'000		\$'000		\$'000	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
225,000-249,999	-	1	-	234	-	7	-	-	-	-	-	241
275,000-299,999	-	1	-	271	-	24	-	2	-	-	-	297
325,000-349,999	1	2	314	217	25	22	-	15	-	84	339	338
350,000-374,999	1	-	339	-	25	-	-	-	-	-	364	-
375,000-399,999	2	-	362	-	25	-	-	-	-	-	387	-
400,000-424,999	1	-	394	-	25	-	-	-	-	-	419	-
600,000-624,999	-	1	-	236	-	43	-	175	-	168	-	622

\* Where there is more than one executive in a remuneration band, the average remuneration is shown.

\*\* Long service leave taken in service

Variations in salary can be caused by a wide variety of factors such as the key management personnel's leave arrangements and other smaller adjustments.

## Environmental performance

The Corporation is subject to particular and significant environmental legislation under both Commonwealth and State laws, in particular:

- *Environment Protection and Biodiversity Conservation Act 1999 (Cth)*
- *Environmental Protection Act 1986 (WA)*
- *Contaminated Sites Act 2003 (WA)*.

Additionally, we comply with more than 40 other pieces of environment-related legislation and track our compliance with various non-statutory commitments. With the significant volume of wastewater conveyed across the state, it is possible unplanned discharges will occasionally occur and some of these may affect the environment, public health and amenity. Our incident management process provides a fast and effective response to these and other incidents. Consistent with the *Environmental Protection Act 1986*, we report any unplanned discharges of waste that have the potential to harm the environment.

Our environmental performance is underpinned by our Corporate Environment Policy and Carbon and Energy Policy. We also maintain an environmental management system, certified under the international standard ISO 14001 that provides for the systematic identification of environmental risks, setting of performance targets and development of environmental improvement plans to reduce risks and ensure our activities are sustainable.

## State of affairs

There were no significant changes during the year ended 30 June 2021 in the state of our affairs not otherwise disclosed in this report, or the financial statements.

## Events subsequent to balance date

Since the end of the financial year on 30 June 2021 and the date of the release of this report, the Directors are not aware of any matter or circumstance not otherwise dealt with in the report or financial statements that has significantly, or may significantly, affect our operations, the results of those operations, or our state of affairs in subsequent financial periods.

## Director interests and benefits

In the 12 months to 30 June 2021, Directors did not receive, or become entitled to receive, any benefit (other than a benefit included in the total amount of remuneration received or due and receivable by Directors) by reason of a contract made by the Corporation with the Director, or with a firm of which the Director is a member, or with an entity in which the Director has a substantial interest.

## Indemnification of Directors

The Corporation has entered into deeds of indemnity, insurance and access with Directors, to the extent provided for under the *Water Corporations Act 1995* and has paid insurance premiums to insure Directors and officers against certain liabilities which arise out of their service while acting on behalf of the Corporation. This statement is made in accordance with a resolution of the Board.



**Ross Love**  
Chair



**Pat Donovan**  
Chief Executive Officer



# Performance summary



Performance against key indicators

	Units	2021 Target	Actual				
			2021	2020	2019	2018	2017
<b>SAFETY</b>							
<b>Public health - safe drinking water</b>							
Metropolitan localities meeting requirements for <i>E.coli</i>	%	100	100	100	100	100	100
Metropolitan localities meeting requirements for amoebae ( <i>thermophilic naegleria</i> )	%	100	100	100	100	100	100
Metropolitan localities meeting requirements for health-related chemical quality	%	100	100	100	100	100	100
Metropolitan localities meeting requirements for radiological performance	%	100	100	100	100	100	100
Country localities meeting requirements for <i>E.coli</i>	%	100	100	100	100	100	100
Country localities meeting requirements for amoebae ( <i>thermophilic naegleria</i> )	%	100	100	100	100	100	100
Country localities meeting requirements for health-related chemical quality	%	100	100	100	100	100	100
Country localities meeting requirements for radiological performance	%	100	100	100	100	100	100
<b>COST</b>							
<b>ECONOMIC PERFORMANCE</b>							
<b>Financial efficiency</b>							
Operating cost per property	\$	827.8	807.8	822.7	748.6	794.0	769.0
Total cost per property	\$	1,999	1,985	1,995	1,908	1,967	1,941
Surplus before income tax equivalent	\$m	1,124	1,253	1,148	1,140	931	920
Return on assets	%	7.0	7.2	7.1	7.1	6.0	5.8
Return on equity	%	7.0	7.5	7.2	7.4	6.2	6.2
Interest cover	Times	6.2	7.0	5.7	5.0	4.2	4.0
Debt to total assets	%	34.7	32.4	33.5	34.9	35.1	34.3
<b>ENVIRONMENT</b>							
<b>ENVIRONMENTAL PERFORMANCE</b>							
<b>Ecosystem protection</b>							
Overflows to Swan-Canning - conveyance system	No.	0	2	0	3	4	4
Overflows to Swan-Canning - pump stations only	No.	0	0	1	0	0	1
<b>Energy and greenhouse gases</b>							
Electricity consumption per unit of output for water	MWh/ML	2.15	2.26	2.22	1.57	2.38	2.41
Electricity consumption per unit of output for wastewater	MWh/ML	0.85	0.82	0.84	0.84	0.91	0.87
Total energy consumption	TJ	na	4,148	4,023	3,072	4,105	3,863
Reported greenhouse gas emissions (CO <sub>2</sub> equivalent)	kT	740	760	756	575	771	806
<b>Materials use efficiency</b>							
Biosolids re-use (Perth metro)	%	100	100	100	100	100	100

	Units	2021 Target	Actual				
			2021	2020	2019	2018	2017
<b>ETHICAL AND GOVERNANCE PERFORMANCE</b>							
<b>Compliance</b>							
Number of legal sanctions for environmental breaches	No.	0	0	0	1	0	0
Environment non-compliances addressed	%	95.0	95.0	100.0	96.2	100.0	99.0
<b>CUSTOMER EXPERIENCE</b>							
<b>Essential service provision</b>							
Continuity - properties not affected by interruption > 1 hr	%	75.0	72.4	75.5	76.1	76.3	77.7
Water pressure and flow standards	%	99.8	99.9	99.9	99.9	99.9	100.0
Water quality faults responsiveness	%	95.0	96.4	97.4	96.8	97.0	97.3
Installation of new water connections	%	90.0	97.9	99.1	99.0	97.4	97.2
Properties without wastewater overflow	%	99.8	99.9	99.9	99.9	99.9	99.9
<b>Demand-supply balance</b>							
Number of Waterwise schools <sup>(1)</sup>	No.	na	587	582	580	575	523
Drought response (number of schemes on temporary restrictions)	No.	na	0	1	0	0	0
Water supplied per capita (Perth metro)	kL	126	125	127	126	123	122
<b>Asset performance</b>							
Blockages per 100 km of sewer	No.	40.0	15.8	17.0	16.5	16.1	16.7
Leaks and bursts per 100 km of main	No.	20.0	14.2	16.4	15.9	16.2	17.9
Drainage systems operating in accordance with guidelines	%	100	100	97.3	100	100	100
<b>STAKEHOLDER PERFORMANCE</b>							
<b>Customer service</b>							
Complaints (per 1,000 properties) MTD	No.	0.4	0.1	0.1	0.1	0.2	0.10
Written customer complaints (responsiveness) < 15 business days	%	90.0	98.1	92.5	100.0	100.0	98.9
Telephone calls to '13' numbers abandoned after 30 seconds	%	N/A	5.8	4.4	3.6	2.9	1.7
Telephone calls to '13' numbers first call resolution	%	90.0	91.8	93.7	92.9	91.8	92.6
<b>SUPPORT FOR COMMUNITY AND STATE</b>							
<b>SOCIAL PERFORMANCE</b>							
<b>Employment and workforce</b>							
Employee-initiated turnover	No.	7.0	5.5	5.6	6.8	7.8	5.5
Women in senior management - tier 2	%	34.0	42.9	42.8	25.0	28.6	22.2
Women in senior management - tier 3	%	34.0	26.5	22.6	25.8	27.8	32.2
People from culturally and linguistically diverse backgrounds	%	13.1	12.3	12.0	12.9	12.8	13.7
Indigenous Australians	%	6.0	4.8	4.6	3.8	3.5	3.1
People with disability	%	1.8	1.7	1.6	1.9	0.9	0.9
Youth (15-24)	%	4.6	3.8	3.8	3.2	3.1	2.9
Total Recordable Injury Frequency Rate (TRIFR)	No.	2.9	4.5	3.4 <sup>(2)</sup>	3.2	7.3	8.5
<b>Shareholder accountability</b>							
Responsiveness to priority-one enquiries	%	90.0	95.0	90.0	95.5	97.5	98.4

1) Note: from 2016 we are now including early childhood centres, primary schools, high schools, education support centres and secondary colleges.

2) TRIFR is reported for total workforce (including contractors) from 2019-20 - all previous periods include internal workforce only.

\*These targets applied to our operating licence between 1 July 2013 - 17 November 2013. From 18 November 2013, the licence was substituted by the introduction of the Water Services Act 2012.

# Five-year statistical summary



	Units	2021	2020	2019	2018	2017
<b>Financial data</b>						
Total revenue	\$'000	2,948,499	2,850,305	2,761,367	2,608,254	2,549,288
Operating subsidy	\$'000	468,579	430,912	420,050	408,928	464,225
Direct operating expenses	\$'000	961,897	965,671	873,618	917,991	875,113
Depreciation/amortisation	\$'000	532,117	516,568	492,575	495,106	486,275
Net interest expense	\$'000	181,180	210,691	242,842	249,185	253,592
Income tax expense	\$'000	373,864	339,685	353,629	281,254	275,048
Operating surplus after tax	\$'000	879,499	807,849	786,591	649,856	645,383
Transfer to/(from) reserves	\$'000	0	0	0	0	0
Non-current borrowings	\$'000	6,003,994	6,207,303	6,194,213	5,253,312	4,959,912
New works investment (excluding developers take-over works)	\$'000	712,322	650,898	695,504	775,845	805,594
Current borrowings	\$'000	17,539	18,410	8,094	887,723	925,919
New borrowings	\$'000	(194,350)	0	70,000	264,000	199,000
<b>Operating data</b>						
<b>Water supply services</b>						
Annual volume of water supplied	ML	374,202	374,808	366,820	363,038	360,930
Number of properties served	No.	1,338,298	1,322,204	1,308,558	1,293,887	1,274,089
Number of properties connected	No.	1,154,501	1,135,221	1,123,748	1,111,464	1,095,943
Length of mains	km	34,947	34,842	34,779	34,678	34,799
<b>Wastewater services</b>						
Average volume of wastewater treated daily	ML	466.1	452	452	448	449
Number of properties served	No.	1,091,581	1,076,665	1,065,505	1,052,983	1,035,809
Number of properties connected	No.	1,011,665	1,001,432	989,094	975,583	958,064
Length of sewers	km	17,397	17,280	17,193	17,051	16,903
<b>Drainage services</b>						
Number of properties served (metropolitan)	No.	426,592	421,799	416,253	411,803	406,724
Length of drains	km	2,539	2,534	2,545	2,547	2,549
<b>Irrigation services</b>						
Volume of water delivered	ML	5,539	6,300	5,142	5,234	5,731
<b>Employees</b>						
Total number of employees	No.	3,662	3,429	2,819	2,746	2,758
Total number of full-time equivalents (FTEs)	No.	3,499	3,277	2,679	2,609	2,622
Total number of FTEs (year-end average)	No.	3,421	2,856	2,637	2,599	2,576

# Principal statistics



Water supply									
Region	Perth Metro	Mandurah-Murray	Perth Region <sup>1</sup>	Goldfields and Agricultural	Great Southern	Mid West	North West	South West	Total
Properties served	1,034,817	63,174	1,097,991	43,457	48,007	50,426	43,002	55,415	<b>1,338,298</b>
Properties connected	890,734	54,169	944,903	39,067	42,361	41,710	35,652	50,808	<b>1,154,501</b>
Water supply services	763,519	48,627	812,146	42,791	41,586	38,090	29,522	46,803	<b>1,010,938</b>
Length of mains (km)	14,492	1,206	15,698	9,647	4,034	2,295	1,501	1,771	<b>34,947</b>
Water supplied <sup>2</sup> (ML)	255,409	13,731	269,140	22,750	12,804	17,195	37,617	14,697	<b>374,202</b>
Wastewater									
Region	Perth Metro	Mandurah-Murray	Perth Region <sup>1</sup>	Goldfields & Agricultural	Great Southern	Mid West	North West	South West	Total
Properties served	869,841	50,855	920,696	11,607	30,049	26,149	34,529	68,551	<b>1,091,581</b>
Properties connected	816,500	45,313	861,813	9,804	26,208	21,148	31,271	61,421	<b>1,011,665</b>
Total length of sewers (km)	12,610	910	13,520	326	737	595	678	1,541	<b>17,397</b>
Number of pumping stations	658	87	745	34	86	70	80	169	<b>1,184</b>
Number of treatment plants	11	4	15	20	20	19	17	20	<b>111</b>
<b>Average quantity of wastewater treated daily (ML)</b>	<b>379.9</b>	<b>17.5</b>	<b>397.4</b>	<b>3.9</b>	<b>11.5</b>	<b>7.9</b>	<b>17.6</b>	<b>27.8</b>	<b>466.1</b>

1. Perth region includes Mandurah-Murray district.

2. Water supplied is the quantity recorded by master meters from 1 July to 30 June.

Drainage				
Region	Perth	Great Southern	South West	Total
Properties served	426,592	n/a	n/a	<b>426,592</b>
Length of drains controlled (km)	1,112	131	1,296	<b>2,539</b>

Irrigation	
Region	Water supplied (ML)
Mid West <sup>1</sup>	4,641
North West <sup>2</sup>	898
South West <sup>3</sup>	n/a
<b>Total</b>	<b>5,539</b>

1. Mid West irrigation district was transferred to the Gascoyne Water Co-operative on 1 July 2003.

2. North West irrigation water supplied from the Ord dam to Water Corporation customers only. Previously reported amount included Ord Irrigation Cooperative customers.

3. Water Corporation owns and maintains the dams that supply Harvey Water and Preston Valley Irrigation but they have the water allocation directly with the Department of Water.

# Principal statistics



## Metropolitan sources of supply

Source	Area of catchment (km <sup>2</sup> )	Storage capacity (ML)	Storage at 30/06/2021 (ML)	Percentage of maximum storage (%)	Output to 30/06/2021 (ML)
<b>Dams</b>					
Stirling	252	57,404	24,047	41.9	5,580
Samson WTP	192	8,003	3,747	46.8	1,820
South Dandalup	313	138,345	19,931	14.4	5,709
North Dandalup	151	60,791	36,390	59.9	11,447
Serpentine and Serpentine Pipehead	693	140,292	67,340	48.0	41,365
Canning	128	90,353	48,338	53.5	17,439
Wungong	728	59,796	46,220	77.3	13,521
Churchman	18	2,241	734	32.8	570
Victoria	37	9,463	5,547	58.6	907
<b>Total hills sources output gross</b>		<b>566,688</b>	<b>252,294</b>	<b>44.5</b>	<b>98,358</b>
<b>Total hills transfers input</b>					<b>77,588</b>
<b>Total hills sources output net</b>					<b>20,770</b>
<b>Groundwater</b>					
Artesian bores					31,679
Mirrabooka					16,223
Gwelup					13,431
Wanneroo					29,120
Jandakot					14,847
Neerabup					27,640
Lexia					2,898
Yanchep/Two Rocks					1,226
<b>Total groundwater output</b>					<b>137,064</b>
<b>Desalination</b>					
Perth seawater desalination plant					45,122
Southern seawater desalination plant					98,519
<b>Total desalination output</b>					<b>143,641</b>
<b>Water received from bulk supplier</b>					
Goldfields Agricultural Water Supply (GAWS) to Perth					2,006
<b>Total</b>					<b>2,006</b>

Source	Area of Catchment (km <sup>2</sup> )	Storage Capacity (Megalitres)	Storage at 30/06/2021 (ML)	Percentage of maximum storage (%)	Output to 30/06/2021 (ML)
<b>Bulk water exported</b>					
to Mundaring Dam for GAWS					24,278
Mandurah Murray					13,731
South West Region					1,282
Great Southern Towns Water Supply (GSTWS)					5,170
<b>Total</b>					<b>44,461</b>
<b>Total water sourced</b>					
Net output from surface water					20,770
Groundwater					137,064
Desalination					143,641
Received from bulk supplier					2,006
<b>Total sources</b>					<b>303,482</b>
<b>Riparians (from distribution system)</b>					
Riparians from distribution system					2,642
<b>Total potable water supplied</b>					
Total water sourced					303,482
Bulk water exported					(44,461)
Riparians (from distribution system)					(2,642)
Operational use and service reservoir vol change					(971)
<b>Total water supplied</b>					<b>255,409</b>

